



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**  
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February 4, 2008

Ref: 8EPR-N

William Stringer, Field Manager  
Bureau of Land Management  
Vernal Field Office  
170 South 500 East  
Vernal, Utah 84078

RE: Final Environmental Impact Statement (EIS)  
for EOG Resources Inc., Chapita Wells-  
Stagecoach Area Natural Gas Development,  
CEQ #20070549

Dear Mr. Stringer:

The Region 8 Office of the Environmental Protection Agency has reviewed the Final EIS for the Chapita Wells-Stagecoach Area Natural Gas Development by EOG Resources Inc., and offers the following comments for your consideration. EPA has reviewed this EIS pursuant to Section 309 of the Clean Air Act.

*Proposed Action:* The purpose of the proposed action is to exercise EOG Resources Inc. (EOG) federal oil and gas leases and produce natural gas. EOG proposes to drill a total of 627 new gas wells in several different geological formations in this portion of the Uinta Basin. 473 wells are proposed in new locations and the remaining 154 wells are 'twinned' where a second well would be drilled from an existing well pad. At least 4 new disposal wells will be needed to manage produced water from these proposed oil and gas wells. The 32,000-acre project area is entirely within the exterior boundaries of the Uinta and Ouray Reservation. The surface ownership is 71% Federal lands administered by BLM, 21% owned by the Ute Tribe or its allottees primarily along the south and west of the project area along the White River, and 6% owned by the State of Utah. The remaining 2% of the project area is privately owned. Alternative A, the proposed action, is the only alternative considered in detail that meets the purpose and need. While the Alternative B – the No Action Alternative – was analyzed in detail, this alternative does not meet the purpose of the proposed action, which is to recover oil and natural gas on these previously leased lands.

EPA's concerns with the proposed action:

*Drill locations within the White River 100-year floodplain:* EPA and other parties expressed environmental concerns with the impacts of approximately 21 proposed wells that were to be located within the riparian corridor adjacent to the White River. As discussed in Section 2.3.1 of the Final EIS, EOG has amended the proposed action and the company now confirms it will not drill from new or existing well pads within the 100-year floodplain of the White River Corridor.

*EPA recommendation:* EPA agrees that this revised plan will reduce impacts to this important desert riparian area and requests that BLM's Record of Decision specifically commit EOG to implementing this revised plan and make this provision binding on any future owner of this natural gas lease.

*Range of Alternatives:* The Final EIS failed to compare the proposed action to any alternative that meets the purpose of EOG exercising its existing mineral rights on these previously leased lands to develop natural gas. While the No Action Alternative was analyzed, this alternative does not meet the purpose and need. Only by providing a range of alternatives to consider in the EIS process can the decision maker have latitude in managing the development of the resource and their resulting environmental impacts. The Chapita Wells Stagecoach Final EIS lacks this basic requirement of an EIS.

*EPA recommendation:* Future EISs prepared by the BLM Vernal FO should include an adequate range of alternatives that meets the purpose and need.

*Lack of a cumulative impact analysis for air quality:* As EPA noted in its review of the Vernal RMP EIS, there is a need for a substantially updated cumulative impact assessment of air quality in the Uinta Basin. (See EPA's comment letter of May 6, 2005, from EPA to BLM Vernal Field Office.) This information could not have effectively been included at that time because important changes in ambient air quality ambient standards were made for fine particulates (PM<sub>2.5</sub>) or will shortly occur for ozone (O<sub>3</sub>) standards. The previous cumulative air quality impact analysis prepared by Spectrum Engineering and managed by BLM for the Vernal RMP EIS did not evaluate the air pollutant emissions from reasonably foreseeable development in the Basin. BLM has an obligation under NEPA to take a close hard look at the reasonably foreseeable developments, including proposed tar sands and oil shale activities that are likely in the next several decades, as well as the expansion of existing oil and gas operations regardless of whether or not an application for drilling has been submitted to your office. EPA is particularly concerned with elevated daily PM<sub>2.5</sub> concentrations measured in Vernal, Utah during 2007. The air quality data for PM<sub>2.5</sub> concentrations obtained from the Vernal, Utah air quality monitoring station is displayed under the heading "VL" for the period December 2006 through December 2007 in the archived files provided by the Utah Department of Environmental Quality at: <http://www.airmonitoring.utah.gov/dataarchive/archpm25.htm>. While the sources of the elevated PM<sub>2.5</sub> values have not been identified, emission sources from nearby natural gas

development and production activities may aggravate the apparent existing pollutant condition within Vernal.

*EPA recommendation:* We suggest that the Record of Decision consider this new air quality information from the Vernal monitoring station and implement additional mitigation that would reduce air emissions or phase the development over a longer time period to maintain air quality within these standards as needed to reduce the risk of adverse health impacts to Vernal area residents. While we recognize that the BLM Vernal Field Office initiated an agreement late last year with the Independent Petroleum Association of the Mountain States (IPAMS) to begin an industry-managed study of basin-wide air quality impacts, EPA has concerns with this approach. We think the information to be generated by a basin-wide air quality study will be important for future NEPA analysis and decision making by your office. Therefore, it would be useful to follow the provisions of 'third- party' contract management according to 40 CFR 1506.5(c) and have the BLM Vernal Field Office directly manage this basin-wide air quality study rather than industry.

Thank you for the opportunity to review the Final EIS on the EOG Resources Inc., Chapita Wells-Stagecoach Area Natural Gas Development. Please contact Weston Wilson of my staff at 303/312-6562 or me at 303/312-6004 if we can further explain our concerns.

Sincerely,

*original signed by:*

/s/ Larry Svoboda  
Director, NEPA Program  
Office of Ecosystems Protection  
and Remediation

cc: Cheryl Heying, Utah Division of Air Quality  
Chuck Machovic, Colorado Department of Public Health and the Environment  
Jeff Sorkin, National Forest Service  
BIA, Ft. Duchesne, Utah  
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